Veterans Affairs
2010-2011 Report on Plans and Priorities

The Honourable Jean-Pierre Blackburn, P.C., MP

Minister of Veterans Affairs and Minister of State (Agriculture)

Veterans Affairs Canada | Anciens Combattants Canada

Canada

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Cover: Veterans Affairs Clients (left to right): Traditional War Veterans, Modern Day Veterans, and RCMP.

SECTION I - OVERVIEW

Minister's Message

Jean-Pierre Blackburn, Minister of Veterans Affairs

It is my pleasure to present our 2010-2011 Report on Plans and Priorities, which outlines the issues on which the Veterans Affairs Portfolio will concentrate in order to continue to improve the benefits and services it provides to its clients.

We are grateful for the commitment and courage of the men and women who have defended democracy and the ideals of Canada in the conflicts of the 20th century and those of today. Our challenge is to make sure that our programs and services fully meet our clients' varied and changing needs at all times. Given the composition of our clientele, their needs and expectations are evolving rapidly. We are modernizing our service delivery to ensure that we are be able to meet their needs now and in the future, all the while continuing to provide quality services to our clients where and when they need them.

Given the increased participation by our Canadian military personnel who are being deployed to the four corners of the world in operations such as our humanitarian aid operation in Haiti and the Canadian mission in Afghanistan, we are experiencing an increase in the number of modern-day Veterans, while the number of our traditional Canadian Veterans is dwindling. However, the latter are dealing with increasingly serious health issues that require progressively more care.

We continue to offer our traditional clients access to a range of programs and services to meet their needs, maintain their independence and help them to achieve an optimal level of wellness. We offer modern-day Veterans a package of programs, backed by case management, including a rehabilitation program aimed at helping them to recover their health and make the transition to civilian life after a military career.

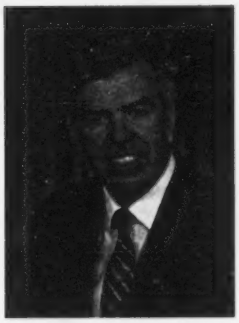
We are working in partnership with the Department of National Defence to improve the delivery of mental health services. Together, we are also looking to provide seamless access to services through a network of integrated personnel support centres at Canadian Forces bases and squadrons across the country.

Canadians are prouder than ever of their traditional and modern-day Veterans and becoming increasingly involved in commemoration. For our part, we are devoting more effort to recognizing the heroism of our modern-day Veterans, while continuing to honour our traditional Veterans. We also want to foster greater engagement of our youth in commemorative activities honouring our Veterans, both young and old. With the success of Veterans' Week 2009 behind us, we are looking to engage the younger generation through the use of social networking tools. Furthermore, in 2010, the Department will be celebrating the 65th Anniversary of the Liberation of the Netherlands and the End of the Second World War in Europe and the Far East.

I am proud to note the remarkable commitment of Veterans Affairs staff to our war-service Veterans, Canadian Forces members and Veterans, their survivors and dependants, and our RCMP clients. I take this opportunity to invite you to learn more about how we are serving these special clients on your behalf.

The Honourable Jean-Pierre Blackburn, P.C., M.P.
Minister of Veterans Affairs and Minister of State (Agriculture)

Veterans Review and Appeal Board
Chair's Message



John D. Larlee, Chair, Veterans Review and Appeal Board

It is my pleasure to share with you the plans and priorities of the Veterans Review and Appeal Board for 2010-11. These commitments will guide us in fulfilling our mandate on behalf of Veterans, Canadian Forces members, Royal Canadian Mounted Police clients and their families.

The Board provides an independent appeal process for individuals who are dissatisfied with disability decisions made by Veterans Affairs Canada. The process provides two levels of redress (review and appeal) on matters relating to entitlement to a pension or award and assessment of the extent of a disability. The Board also provides the final level of appeal for War Veterans Allowance claims.

Our first priority is to hear and decide review and appeal claims at the request of individuals. To ensure applicants are well-served, our Members conduct hearings in person in approximately 30 locations across Canada as well as by teleconference and video conference. In 2010-11, we remain committed to effective operations and fair decision-making. We will continue to manage the time lines within our control so that hearings are scheduled at the earliest opportunity. We will work with the organizations that represent applicants to make the process as responsive and efficient as possible. We will provide our Members and staff with on-going training and the right tools to carry out their responsibilities in interpreting and applying the law.

Communicating with applicants and Canadians is another priority for the Board in the year ahead. Last year, we updated our service standard for issuing decisions to reflect a more realistic time frame for applicants and our employees. We will continue to focus and report on this target and provide other meaningful information about our program and performance. We will also strengthen our management practices and fulfill requirements for reporting while still delivering a timely hearing process.

These priorities form the basis of the Board's 2010-11 activities and our new strategic plan for the coming years. As a small tribunal, we will need to work hard to achieve our goals but remain dedicated to providing applicants with independent, well-reasoned decisions that are grounded in law.

John D. Larlee
Chair, Veterans Review and Appeal Board

Raison d'être

Veterans Affairs exists to repay the nation's debt of gratitude toward those whose legacy is the peace and security we enjoy as Canadians. Canada's contribution to global peace and security has come at a heavy price to our clients. Our clientele includes traditional war Veterans from the First and Second World Wars and the Korean War, former and serving members of the Canadian Forces (CF), the Royal Canadian Mounted Police (RCMP) and certain civilians as well as eligible family members (survivors and dependants).

Responsibilities

Veterans Affairs is a Portfolio consisting of: Veterans Affairs Canada (VAC, the Department); the Veterans Review and Appeal Board (VRAB, the Board); and the Office of the Veterans Ombudsman (OVO).

Veterans Affairs Canada

VAC's twofold focus is to provide access to client-centred services and benefits that respond to our clients' needs, and to foster the memory of Veterans.

VAC provides Disability Benefits and Special Awards to Veterans of the First and Second World Wars; the Korean War; any Veteran with service prior to April 1, 1947; Canadian Forces Veterans and members; and former and serving members of the RCMP (under a Memorandum of Understanding). The New Veterans Charter (NVC) supports modern day Veterans and their families to ease their transition to civilian life through access to a suite of programs which includes rehabilitation, health benefits, job placement assistance, financial support, and disability awards including death benefits. The Bureau of Pensions Advocates provides free legal advice and representation for individuals dissatisfied with decisions rendered by VAC regarding their disability benefits.

VAC's Health Care Program is designed to enhance the quality of life of clients, promote independence, and assist in keeping clients at home and in their own communities by ensuring a continuum of care. VAC provides Veterans and other eligible clients with access to treatment benefits, health care services such as advice and information, needs assessment, advocacy and referrals. The Veterans Independence Program (VIP) is a national home care program that helps clients remain in their own homes or communities for as long as possible. VAC supports Veterans in long-term care beds, either in community facilities, in Ste. Anne's Hospital (the last remaining federal hospital administered by the Department), or in larger contract facilities where Veterans have priority access to beds.

The Department keeps alive the achievements and sacrifices made by those who served Canada in times of war, military conflict and peace and promotes an understanding of how they helped shape our country. VAC fosters the memory of Canada's war dead and Veterans through its Remembrance Program, including the maintenance and preservation of 14 memorial sites in Europe.

Veterans Review and Appeal Board

The Veterans Review and Appeal Board provides two levels of redress for disability pension and disability award applications and the final level of appeal for War Veterans Allowance decisions. The Board's objective is to ensure that Canada's war Veterans, Canadian Forces Veterans and members, Royal Canadian Mounted Police clients, qualified civilians and their families receive the disability pensions, disability awards and other benefits to which they are entitled. The Board reports to Parliament through the Minister of Veterans Affairs and is completely independent of VAC.

Veterans Ombudsman

The Office of the Veterans Ombudsman helps Veterans and their families to address their concerns related to Veterans Affairs and the Veterans Bill of Rights. The Veterans Ombudsman is an independent officer who reports directly to the Minister of Veterans Affairs.

Veterans Affairs Points of Service

Program Activity Architecture

Veterans Affairs' Program Activity Architecture (PAA) was modified for the 2010-11 fiscal year to expand from one to two Program Activities for the Strategic Outcome of "Canadians remember and demonstrate their recognition of all those who served in Canada's efforts during war, military conflict and peace".

Strategic Outcome
Program Activity
Sub Activity
Eligible Veterans and other clients achieve their optimum level of well-being through programs and services that support their care, treatment, independence and re-establishment
Compensation and Financial Support
Disability and Death Compensation
Financial Support
Bureau of Pensions Advocates
Veterans Health Care and Re-establishment
Long-Term and Nursing Home Care
Health Care Benefits and Other Health and Re-establishment Services
Home Care and Other Veterans Independence Program Services
Canadians remember and demonstrate their recognition of all those who served in Canada's efforts during war, military conflict and peace
Remembrance Outreach
Information Products and Learning Initiatives
Ceremonies and Events
Partnerships
National and International Memorials
Funeral and Burial Program
Memorials and Cemetery/Grave Maintenance
European Operations
Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families
Veterans Review and Appeal Board redress process for disability pensions and awards
Ombudsman recommendations advance Veterans Affairs' fair and equitable treatment of eligible clients
Office of the Veterans Ombudsman independent review and recommendations on individual complaints and systemic issues
Internal Services
Governance & Management Support
Resource Management Services
Asset Management Services

Planning Summary

Planned Spending and Human Resources for Veterans Affairs

Financial Resources ($ millions)

	2010-11	2011-12	2012-13
Veterans Affairs Canada	3,396.8	3,300.1	3,299.5
Veterans Review and Appeal Board	11.5	11.5	11.5
Office of the Veterans Ombudsman	5.8	5.8	5.8

Human Resources (full time equivalents)

	2010-11	2011-12	2012-13
Veterans Affairs Canada	3,678	3,640	3,640
Veterans Review and Appeal Board	121	121	121
Office of the Veterans Ombudsman	40	40	40

Strategic Outcome #1: Eligible Veterans and other clients achieve their optimum level of well-being through programs and services that support their care, treatment, independence, and re-establishment

Performance Indicators	Targets	Date to Achieve Targets
Percentage of eligible Veterans and other clients who report they are "very satisfied" or "satisfied" with their life in general	70 percent of eligible Veterans and other clients report they are "very satisfied" or "satisfied" with their life in general	March 31, 2011
Percentage of eligible Veterans and other clients who report "good", "very good", or "excellent" mental health	60 percent of eligible Veterans and other clients report "good", "very good", or "excellent" mental health	March 31, 2011

Program Activity	Forecast Spending 2009-10	Planned Spending			Alignment to Government of Canada Outcomes
		2010-11	2011-12	2012-13	
Compensation and Financial Support	2,187.1	2,125.1	2,007.2	2,007.1	Income Security and Employment for Canadians
Veterans Health Care and Re-establishment	1,177.7	1,141.0	1,164.4	1,163.1	Healthy Canadians

Strategic Outcome #2: Canadians remember and demonstrate their recognition of all those who served in Canada's efforts during war, military conflict and peace					
Performance Indicators Percentage of Canadians engaged in remembrance		**Targets** 25 percent of Canadians are engaged in remembrance		**Date to achieve Targets** March 31, 2011	
Program Activity	**Forecast Spending 2009-10**	**Planned Spending**			**Alignment to Government of Canada Outcomes**
		2010-11	**2011-12**	**2012-13**	
Remembrance Outreach	14.2	13.7	12.8	13.6	A Vibrant Canadian Culture and Heritage
National and International Memorials	32.4	32.3	31.0	31.0	A Vibrant Canadian Culture and Heritage

Strategic Outcome #3: Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families					
Performance Indicators Percentage of client concerns that are effectively responded to		**Targets** 80 percent of complaints are responded to within 60 days		**Date to achieve Targets** March 31, 2011	
Program Activity	**Forecast Spending 2009-10**	**Planned Spending**			**Alignment to Government of Canada Outcomes**
		2010-11	**2011-12**	**2012-13**	
Veterans Review and Appeal Board redress process for disability pensions and awards	11.9	11.5	11.5	11.5	Income Security and Employment for Canadians

Strategic Outcome #4: Ombudsman recommendations advance Veterans Affairs' fair and equitable treatment of eligible clients					
Performance Indicators		**Targets**		**Date to achieve Targets**	
Percentage of recommendations raised by the Ombudsman office that are acted upon		80 percent of recommendations raised are acted upon		March 31, 2011	
Percentage of the Ombudsman's recommendations which are aligned with the Department's priorities		80 percent of the Ombudsman's recommendations are aligned with the Department's priorities		March 31, 2011	
Program Activity	**Forecast Spending 2009-10**	**Planned Spending**			**Alignment to Government of Canada Outcomes**
		2010-11	**2011-12**	**2012-13**	
Office of the Veterans Ombudsman independent review and recommendations on individual complaints and systemic issues	5.9	5.8	5.8	5.8	Income Security and Employment for Canadians

The following Program Activity supports all Strategic Outcomes within the Portfolio				
Program Activity	**Forecast Spending 2009-10**	**Planned Spending**		
		2010-11	**2011-12**	**2012-13**
Internal Services	89.6	84.7	84.7	84.7

Contribution of Priorities to Strategic Outcomes

The Veterans Affairs Portfolio has:

- four strategic outcomes (two for Veterans Affairs Canada, one for the Veterans Review and Appeal Board, and one for the Office of the Veterans Ombudsman);
- seven program activities; and
- nine priorities.

The following tables link the Portfolio's operational and management priorities with our Strategic Outcomes and Program Activities.

Operational Priorities	Type	Links to Strategic Outcome(s)	Description
Transform our service delivery and support functions to meet the needs of our clients (VAC)	New	**Strategic Outcome:** Eligible Veterans and other clients achieve their optimum level of well-being through programs and services that support their care, treatment, independence, and re-establishment **Program Activities:** Compensation and Financial Support Veterans Health Care and Re-establishment	**Why is this a priority?** Our service delivery and support functions must adapt to meet the ever-changing and diverse needs of our clients to ensure that we deliver the right decision to the client at the earliest possible time. **Plans for meeting the priority** • Implement a service delivery model and operations plan that will define how the Department needs to be organized and resourced, including Ste. Anne's Hospital, and internal services. • Work with the CF to examine the New Veterans Charter programs in order to make the necessary changes to meet their needs. These processes will permit us to identify the gaps and make the necessary changes. • Harmonize policies, programs, services and points of service with DND and RCMP to promote a seamless transition to Veterans Affairs programs. • Design a sound and reliable plan for client and workload forecasting which reflects the case management approach to service delivery. • Use evidence and our growing research ability to explore improvements in the delivery of programs and services to clients with an emphasis on a residential care strategy, a mental health strategy, program management and strengthened case management services including improved on-line accessibility and Web-based technology to enhance client service. • Expand treatment services to client families in the National Operational Stress Injury (OSI) Clinic network as part of client treatment plans. • Establish and maintain strategic partnerships, including the Federal Healthcare Partnership, to achieve program efficiencies, optimize client outcomes, and to foster consistency and harmonization across programs related to client health and well being. • Put in place a strategy to manage change that uses communication tools to keep employees, clients, stakeholders and partners up-to-date on the restructuring and transformation of our service model.

Operational Priorities	Type	Links to Strategic Outcome(s)	Description
Refocus our remembrance activities (VAC)	New	**Strategic Outcome:** Canadians remember and demonstrate their recognition of all those who served in Canada's efforts during war, military conflict and peace **Program Activity:** Remembrance Outreach National and International Memorials	**Why is this a priority?** War-service Veterans are a direct link to our history. We must honour them and preserve their legacy. Equally, we also recognize and honour our modern-day Veterans. **Plans for meeting the priority** • Continue to consult with modern-day and traditional Veterans, CF members, stakeholders and Canadians to ensure remembrance activities reflect how they wish to see Canadian Veterans honoured and recognized. • Address the recognition needs of the modern-day Veteran to specifically honour their service and involve them in remembrance activities. • Increase the focus on in-Canada remembrance activities while maintaining international commitments with an international presence. • Take remembrance activities to Canadians rather than taking Canadians to remembrance activities through effective use of partnerships and technology. • Build on activities aimed at youth such as the VAC Student Guide Program at Vimy and strengthen youth involvement through the use of new technology and social media.
Program delivery (VRAB)	Ongoing	**Strategic Outcome:** Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families **Program Activity:** Veterans Review and Appeal Board redress process for disability pensions and awards	**Why is this a priority?** It ensures applicants have an avenue of redress by an independent tribunal for disability compensation and War Veterans Allowance claims. **Plans for meeting the priority** • Continue to provide maximum opportunities for applicants' claims to be heard at the earliest opportunity. • Focus on internal processes to meet post-hearing commitment to issue decisions within 6 weeks of hearing.

Operational Priorities	Type	Links to Strategic Outcome(s)	Description
Improved program delivery (VRAB)	Ongoing	**Strategic Outcome:** Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families **Program Activity:** Veterans Review and Appeal Board redress process for disability pensions and awards	**Why is this a priority?** Enhancing program delivery through innovation and use of technology improves the process for applicants. **Plans for meeting the priority** • Refine the annual schedule of review hearings in co-operation with representative organizations. • Focus on improving electronic access to hearing information for members and representatives. • Develop statutory and policy instruments to provide more accessible and transparent information about the hearing process for members, representatives and the public. • Initiate and implement a Members' Performance Management Framework. • Provide professional development opportunities and enhanced training materials for members and employees.
Communication (VRAB)	Ongoing	**Strategic Outcome:** Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families **Program Activity:** Veterans Review and Appeal Board redress process for disability pensions and awards	**Why is this a priority?** It ensures applicants and all Canadians have information on the Board's mandate, program, and redress process, while meeting the increasing information needs of applicants. **Plans for meeting the priority** • Continue to identify and pursue opportunities to communicate with internal and external audiences. • Develop new tools (i.e. publications and Web site updates) to inform applicants and Canadians about VRAB's independent redress program and to provide information on the Board's processes and performance.

Operational Priorities	Type	Links to Strategic Outcome(s)	Description
Ensuring the fair treatment of the Veteran community and upholding the rights articulated in the Veterans Bill of Rights (OVO)	New	**Strategic Outcome:** Ombudsman recommendations advance Veterans Affairs' fair and equitable treatment of eligible clients **Program Activity:** Office of the Veterans Ombudsman independent review and recommendations on individual complaints and systemic issues	**Why is this a priority?** The sacrifices of our Veterans are recognized through the equitable, fair, accessible and timely provision of services, benefits and support. An independent voice is essential in ensuring that commitments are honoured. **Plans for meeting the priority** • Continue early intervention activities so that client complaints are resolved. • Initiate and complete investigations into systemic issues in areas such as Health Care, New Veterans Charter and Review and Appeals mechanisms. • Establish and maintain public consultation initiatives including Web-based approaches, town halls and speaking platforms aimed at engaging Veterans and other stakeholders to identify issues of concerns and priorities for the Office.

Management Priorities	Type	Links to Strategic Outcome(s)	Description
Support and renew our workforce to meet our challenges (VAC)	New	**Strategic Outcome:** Links to all Strategic Outcomes **Program Activity:** Internal Services	**Why is this a priority?** Efficiencies and improved internal functions and processes support a workforce that will provide the best possible service to our clients and their families. **Plans for meeting the priority** • Identify the human resource needs, including core skills and ability in both official languages, for the future service delivery model. • Create plans that ensure the right staff with the right qualifications is available at the appropriate points of service. • Implement a departmental multi-year human resources management approach to guide the preparation of integrated human resource and business plans. • Help employees as they work through the opportunities and challenges presented by the changes in the Department. • Use and emphasize human resource management strategies to build on our representation of Canadian diversity. • Work together with operational units and stakeholders to develop a learning strategy based on the needs of the Department and the various operational units. • Make sure that employees are informed and involved in order to better serve our clients' changing needs.

Management Priorities	Type	Links to Strategic Outcome(s)	Description
Strengthen our management, transparency and accountability (VAC)	New	**Strategic Outcome:** Links to all Strategic Outcomes **Program Activity:** Internal Services	**Why is this a priority?** Efficiencies and improved internal functions and processes support a workforce that will provide the best possible service to our clients and their families. **Plans for meeting the priority** • Implement the new financial management, internal audit and evaluation policies. • Strengthen our performance management to make sure programs and services are effectively delivered. • Respond to the rapidly growing demand for information technology to serve the workplace of the future. • Build on our capability and capacity for knowledge management internally, and with the CF, RCMP and other partners and service providers. • Continue to improve the sound management of the Department through the Management Accountability Framework and parliamentary reporting process.
Accountable management (VRAB)	New	**Strategic Outcome:** Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families **Program Activity:** Veterans Review and Appeal Board redress process for disability pensions and awards	**Why is this a priority?** To provide an effective program for applicants and their families by focussing on management, transparency and accountability. **Plans for meeting the priority** • Review and strengthen management practices and processes. • Identify and respond to additional accountability and reporting requirements.

Risk Analysis

Operating Environment

Veterans Affairs Canada's programs are delivered through a network of offices and points of service throughout the country and overseas. The Veterans Review and Appeal Board holds hearings in Charlottetown and across the country, whereas, the Veterans Ombudsman has offices in Charlottetown and Ottawa. To provide these services, the Portfolio has planned spending for 2010-11 of $3.4 billion.

External environmental factors that influence the Portfolio include: the priorities of the Government along with Canada's economic situation; the tempo of Canadian Forces operations, including Afghanistan and the relief operation in Haiti; public service renewal; the implications of an aging Canadian population; and the challenges facing the Canadian health care system. Other factors include: the planned activities of our international and federal partners, major stakeholders and other countries, and the global economic downturn.

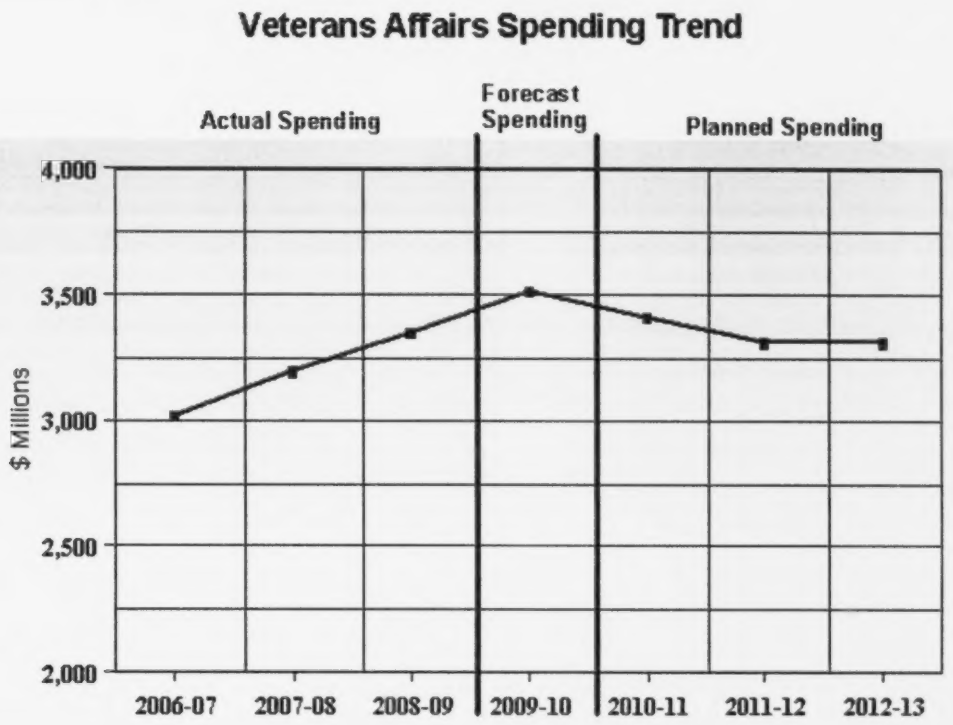
Internally, the Portfolio is evolving to meet the changing needs of our Veterans. We continue to serve our aging traditional Veterans and their families. Although this group gets smaller with each passing month (our traditional Veteran clients are forecast to decrease from 75,000 in 2010 to 54,000 in 2013), the needs of those remaining continue to increase. At the same time, there are more modern-day Veterans - from those who served in peacekeeping missions and military operations in past decades, to those in Afghanistan today. Their number is forecast to increase from 58,000 in 2010 to 70,000 in 2013. Our modern-day Veterans, including women serving in combat, have different needs and expectations. Our Portfolio is, quite literally, straddling the past and the future.

Priority Risks and Opportunities

The rapid shift in our client demographics, combined with the changing expectations and needs of our clients, means that VAC is entering an era of unprecedented change. While modernizing and transforming the Portfolio to meet the needs of our current and future clients, Veterans Affairs must maintain a balance between effective service delivery, client outcomes and management accountability.	
Risks/Opportunities	**Portfolio responses**
Service delivery transformation	• Modernize the service delivery framework so that we have the right people with the right skills in the right place at the right time. • Improve business processes to ensure integration and alignment of planning, activities and costs. • Continue with action plan to reduce backlogs and to meet service standards. • Implement ongoing service delivery innovations to support modern-day case management principles.

Risks/Opportunities	Portfolio responses
Continuity of service to Veterans at Ste. Anne's Hospital	• Maintain priority access for Veterans to quality care and services, including Veterans currently residing at Ste. Anne's Hospital. • Maximize the Hospital's expertise in geriatrics and psycho-geriatrics. • Protect the interests of employees, adhere to official languages policy, and consult unions on all staffing-related matters. • Continue the long-standing policy of the Government of Canada to transfer federal hospitals to provincial control. • Hold discussions with the Province of Quebec on a potential transfer of Ste. Anne's Hospital. Preliminary meetings have taken place to discuss the preparatory work required to negotiate a transfer and the possibility of early admission of area residents as a transitory measure.
Continuity of health program delivery	• Implement a new Federal Health Care Processing System contract to improve our ability to provide client service and to ensure uninterrupted service to our clients.
Performance management improvements	• Participate in post-secondary recruitment. • Provide leadership development opportunities for staff at all levels of the organization. • Improve the work environment to promote staff retention, learning and enriched jobs.
Modernizing client interaction	• Create new ways to consult and engage all Veterans using enhanced technology. • Promote a more integrated approach by supporting program and service delivery through stronger internal and external communications.

Expenditure Profile



$ millions	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual	Actual	Actual	Forecast	Planned	Planned	Planned
Totals	3,028.0	3,196.5	3,353.3	3,518.8	3,414.1	3,317.4	3,316.8

The Veterans Affairs spending trend shows expenditure increases through the 2009-10 year. These increases relate to several factors including: implementation and gradual uptake of programs under the New Veterans Charter; annual price indexation adjustments for Disability Pensions; program enhancements under the Veterans Independence Program; ex-gratia payments related to the use of Agent Orange at CFB Gagetown; and additional funding provided through Budget 2007 for enhanced services to Veterans and the establishment of the Office of the Veterans Ombudsman.

Current client demographic projections anticipate that over the next three years, there will be overall reductions in the number of clients accessing VAC's traditional programs (Disability Pensions, WVA, VIP and Treatment Benefits). However, the Department is facing an increased workload due to more serious health issues experienced by our aging Veterans and the complexity of the needs of our Canadian military personnel. The most significant client reductions will be for War Service Veterans with annual reductions of approximately 10% to 15% over the three year period. Clients who are survivors of War Service Veterans will decrease at a slower rate, with the exception of VIP, where survivor client numbers will increase slightly due to government decisions to increase eligibility. Modern-day Canadian Forces client numbers will increase slightly for both Treatment Benefits and VIP, and decrease slightly for Disability Pensions due to eligibility under the Disability Awards Program. The result of these demographic shifts will have a significant impact on proposed

reference levels for VAC's traditional programs. This impact will be offset somewhat by the provision of inflationary adjustments to the benefits provided to clients.

Voted and Statutory Items Displayed in Main Estimates

($ millions)			
Vote or Statutory Item	**Truncated Vote or Statutory Wording**	**2009-10 Main Estimates**	**2010-11 Main Estimates**
1	Veterans Affairs - Operating expenditures*	939.4	930.2
5	Veterans Affairs - Capital expenditures	11.1	-
10	Veterans Affairs - Grants and contributions	2,364.3	2,432.5
15	Veterans Affairs - Veterans Review and Appeal Board - Operating expenditures	9.7	9.9
(S)	Contributions to employee benefit plans	39.3	41.2
(S)	Minister of Veterans Affairs' Salary and motor car allowance	0.1	0.1
(S)	Veterans Insurance Actuarial Liability Adjustment	0.2	0.2
(S)	Repayments under section 15 of the *War Service Grants Act* of compensating adjustments made in accordance with the terms of the *Veterans' Land Act*	-	-
(S)	Returned Soldiers Insurance Actuarial Liability Adjustment	-	-
(S)	Re-Establishment Credits under Section 8 of the *War Service Grants Act*	-	-
	Total Portfolio	3,364.1	3,414.1

The total Main Estimates for Veterans Affairs for 2010-11 are $3,414.1 million, an increase of $50.0 million in comparison to the 2009-10 Main Estimates. The major changes are as follows:

- an increase of $86.2 million for Disability Awards and Allowances for new conditions and reassessments of awards, and annual price indexation adjustments to award payments;
- an increase of $41.0 million due to the provision of benefits to Allied Veterans who served during the Second World War or the Korean War, and to eligible survivors;
- a decrease of $30.8 million for the Veterans Independence Program;
- a decrease of $20.0 million for Other Health Purchased Services primarily due to a decrease in the number of War Service clients receiving treatments benefits;
- a net decrease of $14.3 million in the cost of Pensions for disability and death; and
- a decrease of $13.8 million related to ex-gratia payments for the health effects of Agent Orange and/or unregistered US military herbicide use at CFB Gagetown.

*Vote 1 includes Administrative and overhead costs incurred to support the delivery of programs ($286.4 million in 2010-11, $274.2 million in 2009-10). The balance of Vote 1 is for: Goods and services purchased on behalf of Veterans, such as prescription drugs, long-term care, etc. ($633.1 million in 2010-11, $639.4 million in 2009-10); New Veterans Charter health, vocational rehabilitation and job placement services ($7.9 million in 2010-11, $9.8 million in 2009-10); and ex-gratia payments related to the use of Agent Orange at CFB Gagetown ($2.8 million in 2010-11, $16.0 million in 2009-10).

SECTION II - ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOMES

Strategic Outcome # 1: Eligible Veterans and other clients achieve their optimum level of well-being through programs and services that support their care, treatment, independence, and re-establishment.

Program Activity 1.1: Compensation and Financial Support					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
925	2,125.1	909	2,007.2	909	2,007.1

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
Eligible Veterans and other clients are able to meet their basic living expenses	Percentage of eligible Veterans and other clients who are able to meet their basic living expenses	70 percent of eligible Veterans and other clients are able to meet their basic living expenses	March 31, 2011
Eligible Veterans and other clients feel the extent and impact of their service-related disability has been recognized by Veterans Affairs Canada	Percentage of eligible clients who feel the disability benefits they have received from Veterans Affairs Canada recognizes the impact that their service-related disability has on them	60 percent of eligible clients feel the disability benefits they have received from Veterans Affairs Canada recognizes the impact that their service-related disability has on them	March 31, 2011

Veterans Affairs provides, upon eligibility, pensions or awards for disability or death and financial support as compensation for hardships arising from disabilities and lost economic opportunities. Veterans Affairs has a comprehensive and integrated range of compensation and wellness programs to support its clients. These clients include: Veterans of the First World War, the Second World War, and the Korean War, Merchant Navy Veterans, Canadian Forces Veterans, Canadian Forces members, spouses, common-law partners, certain civilians, and survivors and dependants of military and civilian personnel. Veterans Affairs also administers disability pensions for the Royal Canadian Mounted Police under a Memorandum of Understanding.

Planning Highlights:

In order to achieve the expected result, Veterans Affairs Canada plans to undertake the following activities:

- Continue to modernize the service delivery framework through a human resources and operations plan so that we have the right people, with the right skills, in the right place, at the right time.
- Work with the CF to examine the New Veterans Charter programs in order to make the necessary changes to meet their needs. These processes will permit us to identify the gaps and make the necessary changes.
- Renew service delivery through activities such as enhanced case management, further development of the Integrated Personnel Service Centres, streamline case management for seriously injured clients, increased monitoring of operational performance, increased partnerships and enhanced technology.
- Improve access to benefits and services by updating and renewing policies and processes and other tools to meet the changing demographics of our client base, and to support service modernization.
- Enhance program management through the implementation of a framework to provide a consistent approach to program oversight, management and reporting.
- Implement amendments to the War Veterans Allowance Act extending benefits to Allied Veterans and their families.
- Increase efficiency and consistency in managing cases in the Bureau of Pensions Advocates by monitoring and follow-up of the "Advocates Without Borders" initiative.

Benefits for Canadians:

By ensuring all programs are delivered effectively and with the best possible outcomes for clients, Veterans Affairs strives to improve the quality of life for Canadians through providing appropriate compensation for its clients.

VA Clients (left to right)Traditional War Veterans, Modern Day Veterans, RCMP

Program Activity 1.2: Veterans Health Care and Re-establishment					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
1,853	1,141.0	1,832	1,164.4	1,832	1,163.1

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
Eligible Veterans' and other clients' health care needs are met	Percentage of eligible Veterans and other clients who report "good", "very good", or "excellent" health	60 percent of eligible Veterans and other clients report "good", "very good", or "excellent" health	March 31, 2011
Eligible Veterans and other clients actively participate in the civilian workforce	Percentage of eligible Veterans and other clients who actively participate in the civilian workforce (unless totally disabled or retired)	70 percent of eligible Veterans and other clients actively participate in the civilian workforce (unless totally disabled or retired)	March 31, 2011
Eligible Veterans and other clients actively participate in or are integrated into their communities	Percentage of eligible Veterans and other clients who report a "somewhat strong" or "very strong" sense of community	50 percent of eligible Veterans and other clients report a "somewhat strong" or "very strong" sense of community	March 31, 2011

Veterans Affairs provides health benefits, a Veterans Independence Program, long-term care, and rehabilitation and re-establishment support to eligible Veterans and others. The Health Care Program is designed to enhance the quality of life of Veterans Affairs' clients, promote independence, and assist in keeping clients at home and in their own communities by providing a continuum of care.

Planning Highlights:

In order to achieve the expected result, Veterans Affairs Canada plans to undertake the following activities:

- Continue to modernize the service delivery framework through a human resources and operations plan so that we have the right people, with the right skills, in the right place, at the right time.
- Renew service delivery through the expansion of treatment services to client families in the OSI Clinic network as part of the client treatment plan, the continuation of collaborative national partnerships such as the Federal Healthcare Partnership, the enhancement of case management, increased monitoring of operational performance, and the improved and increased use of service delivery technologies.
- Develop and strengthen international partnerships such as the relationship between VAC's National Centre for

Operational Stress Injuries and the International Society for Traumatic Stress Studies.

- Continue to collaborate and cooperate as part of the Federal Healthcare Partnership to identify, promote and implement more efficient and effective health care programs.

- Improve access to benefits and services by updating and renewing policies, processes and other tools to meet the changing demographics of our client base, and to support service modernization.

- Continue discussions and negotiations with the Province of Quebec about the potential transfer of Ste. Anne's Hospital, while ensuring that Veterans continue to receive exceptional care and the hospital's expertise in geriatrics and psycho geriatrics is maximized.

- Enhance program management through the implementation of a framework to provide a consistent approach to program oversight, management and reporting.

- Pursue re-contracting of the Federal Health Claims Processing System.

- Build on the success of the recently completed national network of OSI Clinics by enhancing services to clients in places where clinics are not located.

- Develop and implement performance measures to enhance the effectiveness of the Operational Stress Injury Social Support program.

Benefits for Canadians:

By ensuring all programs are delivered effectively and with the best possible outcomes for clients, Veterans Affairs strives to improve the health of Canadians through providing its clients with access to health benefits and rehabilitation services.

Strategic Outcome # 2: Canadians remember and demonstrate their recognition of all those who served in Canada's efforts during war, military conflict and peace.

Program Activity 2.1: Remembrance Outreach					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
78	13.7	78	12.8	78	13.6

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
The memory of the achievements and sacrifices of those who served Canada in war, military conflict and peace is preserved	Percentage of Canadians aware of the achievements and sacrifices of Canadian Veterans	65 percent of Canadians are aware of the achievements and sacrifices of Canadian Veterans	March 31, 2011

Remembrance Outreach is responsible for providing Canadians, especially youth, with opportunities to learn about remembrance subjects, via remembrance products, including printed and on-line materials, and activities. The Remembrance Outreach Program also provides leadership of and support to ceremonies and events, in Canada and internationally, that recognize and honour Canada's war dead and Veterans. Through the Partnership Contribution Program, non-profit organizations are able to apply for financial assistance to undertake remembrance initiatives that extend Veterans Affairs Canada's remembrance mandate. A new initiative, Corporate Engagement and Marketing, will help the Department extend the reach and capacity of its remembrance efforts.

Veterans' Week 2009 Poster: A traditional War Veteran saluting, Canadian Forces members, a youth looking at a drawing of a poppy

Planning Highlights:

In order to achieve the expected result, Veterans Affairs Canada plans to undertake the following activities:

- Both in Canada and overseas, mark the 65th anniversaries of the Liberation of the Netherlands, the end of the Second World War in Europe (VE Day) and the end of the Second World War in the Far East (VJ Day).
- Increase our focus on in-Canada remembrance activities.
- Develop and implement an action plan for the modern-day Veterans and Canadian Forces members engagement strategy.
- Adapt our youth strategy and explore and implement new technologies/social media to engage youth.
- Engage new corporate partners in remembrance.

Benefits for Canadians:

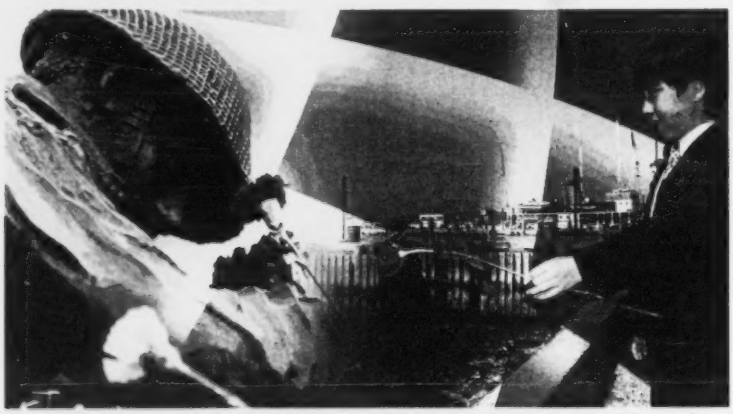
Educating Canadians, especially youth, about our military history and supporting commemorative efforts that recognize and honour those who served Canada in times of war, military conflict and peace, allows them to understand how these men and women have helped and continue to help shape our society and the world.

Remembrance Activities: Cadets at a candlelight ceremony; Veterans and children at Remembrance Day ceremony.

Program Activity 2.2: National and International Memorials					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
23	32.3	23	31.0	23	31.0

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
Canadian Veterans and war dead are recognized and honoured in death	Percentage of Canadians who are satisfied with how Veterans Affairs Canada recognizes and honours war dead and Veterans in death	75 percent of Canadians are satisfied with how Veterans Affairs Canada recognizes and honours war dead and Veterans in death	March 31, 2011

National and International Memorials is responsible for the delivery of funeral, burial and grave marking benefits, the preservation of memorials overseas and cemetery and grave maintenance, nationally and internationally. Veterans Affairs Canada also has an international presence in Europe. The administration of funeral, burial and grave marking benefits is carried out in partnership with Last Post Fund Corporation and the maintenance of War Graves and Memorials throughout the world is delivered in partnership with the Commonwealth War Graves Commission.



Commemoration: Price of Peace monument (Ortona, Italy); and youth dropping a rose in the water during a Battle of Atlantic remembrance ceremony)

Planning Highlights:

In order to achieve the expected result, Veterans Affairs Canada plans to undertake the following activities:

- Develop options to improve VAC's Funeral and Burial Program.
- Continue to perform cemetery and grave marker maintenance.

Benefits for Canadians:

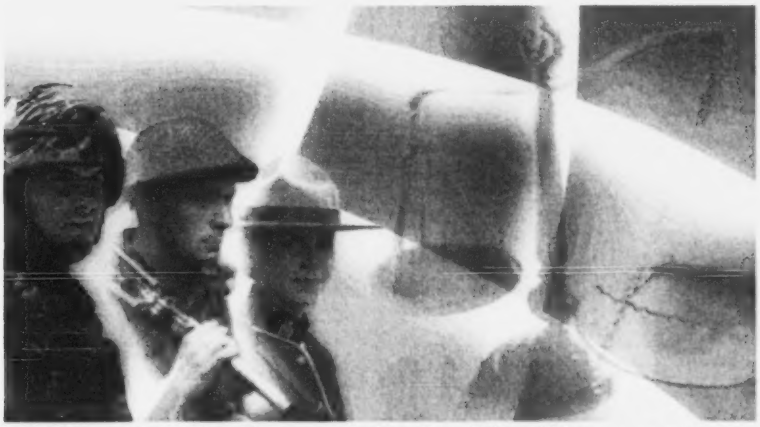
Maintaining memorials and cemeteries and providing grave markers for Veterans' graves gives Canadians lasting symbols that honour the sacrifices and accomplishments of those who bravely served Canada in war and peace.

Strategic Outcome # 3: Fair and effective resolution of disability pension, disability award, and War Veterans Allowance appeals from Canada's war Veterans, Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families.

Program Activity 3.1: Veterans Review and Appeal Board redress process for disability pensions and awards					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
121	11.5	121	11.5	121	11.5

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
Veterans and other clients receive a timely decision following their hearing	Percentage of decisions finalized within the published service standard	85 percent of decisions are finalized within the published service standard	March 31, 2011

Provides Canada's war Veterans, eligible Canadian Forces members and Veterans, Royal Canadian Mounted Police clients, qualified civilians and their families with full opportunity to request review and appeal hearings to ensure a fair adjudicative process for disability pension, disability award, and War Veterans Allowance claims.



VA Clients: Canadian Forces member, Traditional Veteran, and RCMP

Planning Highlights:

In order to achieve the expected result, the Veterans Review and Appeal Board plans to undertake the following activities:

- Continue to provide maximum opportunities for applicants' claims to be heard at the earliest opportunity.
- Focus on internal processes to meet post-hearing commitment to issue decisions within six weeks of hearing.
- Develop statutory and policy instruments to provide more accessible and transparent information about the hearing process for members, representatives and the public.
- Develop new tools such as publications and Web site updates to inform applicants and Canadians about VRAB's independent redress program and to provide information on the Board's processes and performance.
- Review and strengthen management practices and processes.

Benefits for Canadians:

An independent program for resolving disability compensation and War Veterans Allowance decisions supports Canadians by ensuring fair and appropriate compensation for applicants and their families.

Hearings of the Veterans Review and Appeal Board

Strategic Outcome # 4: Ombudsman recommendations advance Veterans Affairs' fair and equitable treatment of eligible clients.

Program Activity 4.1: Office of the Veterans Ombudsman independent review and recommendations on individual complaints and systemic issues					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
40	5.8	40	5.8	40	5.8

Program Activity Expected Results	Performance Indicators	Targets	Date to achieve Targets
VAC clients and their families are aware of and have access to the Ombudsman Services	Percentage of VAC clients and their families surveyed that feel they have access to and are aware of the services the Ombudsman offers	80 percent of the VAC clients and their families surveyed feel they have access and are aware of the services provided	March 31, 2011
VAC clients, their families and the Department are aware of the issues and recommendations raised by the Ombudsman Office	Percentage of the VAC clients and their families surveyed that have an awareness of the issues raised by the Ombudsman Office	80 percent of the VAC clients and their families surveyed have an awareness of the issues raised by the Ombudsman Office	March 31, 2011
	Percentage of Observations and Reports submitted and which have been acknowledged by the Department	80 percent of the observations and reports submitted are acknowledged by the Department	March 31, 2011

Provides war-service Veterans, Veterans and serving members of the Canadian Forces (Regular and Reserve), members and former members of the Royal Canadian Mounted Police, spouses, common-law partners, survivors and primary caregivers, other eligible dependants and family members, other eligible clients and representatives of the afore-mentioned groups with the opportunity to request independent reviews of their complaints by an impartial individual who was not part of the original decision-making process. The Veterans Ombudsman has the mandate to review and address complaints by clients and their representatives arising from the application of the provisions of the Veterans Bill of Rights; to identify and review emerging and systemic issues related to programs and services provided or administered by the Department or by third parties on the Department's behalf that impact negatively on clients; to review and address complaints by clients and their representatives related to programs and services provided or administered by the Department or by third parties on the Department's behalf, including individual decisions related to the programs and services for which there is no right of appeal to the Board; to review systemic issues related to the Board; and to facilitate access by clients to programs and services by providing them with information and referrals.

Planning Highlights:

In order to achieve the expected result, the Office of the Veterans Ombudsman plans to undertake the following activities:

- Continue early intervention activities so that client complaints are resolved.
- Initiate and complete investigations into systemic issues in areas such as Health Care, New Veterans Charter and Review and Appeals mechanisms.
- Establish and maintain public consultation initiatives including Web-based approaches, town halls and speaking platforms aimed at engaging Veterans and other stakeholders to identify issues of concern and priorities for the Office.

Benefits for Canadians:

Canadians are assured that Veterans who have made the ultimate sacrifice in the service of their country will be afforded the benefits, services and support that they are due and that none will be left behind. Veterans are assured that their rights, as outlined in the Veterans Bill of Rights, are upheld and they have a voice in the Ombudsman who will address their concerns.

Colonel Patrick Stogran, the Veterans Ombudsman

Program Activity 5.1: Internal Services					
Human Resources (FTEs) and Planned Spending ($ millions)					
2010-11		2011-12		2012-13	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
799	84.7	798	84.7	798	84.7

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Material Services; Acquisition Services; and Travel and other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

Employees

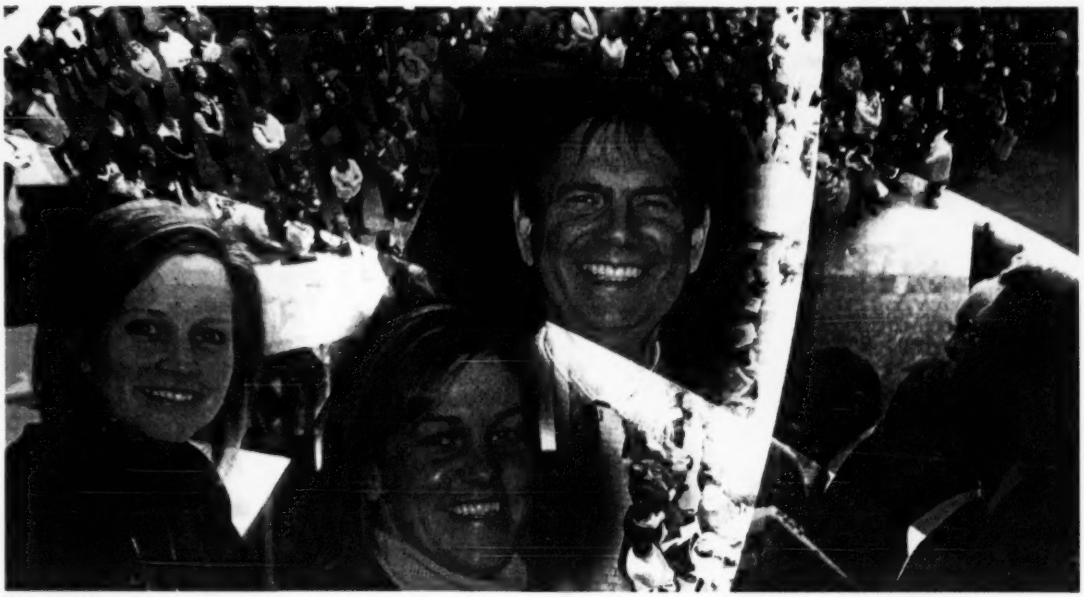
Planning Highlights:

In order to achieve the expected result, Veterans Affairs Canada plans to undertake the following activities:

- Improve integrated business planning, project management, risk management and performance measurement systems to ensure good stewardship of public funds with sound program management.
- Provide increased human resources training to managers and supervisors.
- Provide support to managers through increased access to strategic human resources information.
- Provide leadership development opportunities for staff at all levels of the organization.
- Develop and supply flexible technology solutions to new service locations across Canada.
- Increase delivery of client services outreach through the use of new technology and Web-based tools.
- Implement new or revised Financial Resource Management, Information & Reporting and Internal Control policies.

Benefits for Canadians:

Reporting internal services through a common government-wide approach to planning, designing, budgeting, reporting and communicating internal services allows Canadians to see the full cost and proportion of resources spent in the Portfolio and across the federal government for support activities.



VA Staff and the Canada Remembers Choir

SECTION III - SUPPLEMENTARY INFORMATION

Financial Highlights

Condensed Statement of Operations ($ millions)	Forecast 2010-11	Estimated Results 2009-10	Actual 2008-09
Expenses	3,460.3	3,296.3	3,380.4
Revenue	20.3	21.0	21.7
Net Cost of Operations	3,440.0	3,375.3	3,358.7

The planned spending for the Veterans Affairs Portfolio as reported on a modified-cash basis for 2010-11 is $3,414.1 million. This amount has been adjusted by estimated amounts for items such as refunds of prior years expenditures, services provided without charge (i.e. accommodations, legal services, etc.) and amortization of capital assets to arrive at a future oriented total expense of $3,460.4 million for 2010-11. The net adjustments are small, with total expenses expected to exceed planned spending by only 1.3 percent. The total expenses, net of expected revenues (primarily from Ste. Anne's Hospital) leave an estimated net cost of operations for 2010-11 of $3,440.0 million. Approximately 90 percent of this amount is paid directly to or on behalf of VAC clients for compensation and financial support, health care and commemoration.

Condensed Statement of Financial Position ($ millions)	Forecast 2010-11	Estimated Results 2009-10	Actual 2008-09
Financial Assets	14.0	12.0	12.0
Non-financial Assets	149.2	150.7	141.6
Total Assets	163.2	162.7	153.6
Liabilities	145.7	131.7	132.2
Equity	17.5	31.0	21.4
Total	163.2	162.7	153.6

List of Electronic Tables

The following tables can be found on the Treasury Board of Canada Secretariat Web site at:
www.tbs-sct.gc.ca/rpp/2010-11/index-eng.asp.

Details on Transfer Payment Programs
Green Procurement
Internal Audits
Evaluations
Sources of Non-respendable Revenue
Summary of Capital Spending by Program Activity

Web sites

The following Web sites will provide more detailed information on material provided in this report. If further information is required, contact may be made through the VAC general enquiries lines.

Veterans Affairs Canada:
www.vac-acc.gc.ca

Veterans Review and Appeal Board:
www.vrab-tacra.gc.ca

Office of the Veterans Ombudsman:
www.ombudsman-veterans.gc.ca

Contact Information

If you wish to make a general enquiry about VAC, its programs or services, please call 1-866-522-2122. If you wish to make a general enquiry about the Veterans Review and Appeal Board, please call 1-800-450-8006. To contact the Office of the Veterans Ombudsman, please call 1-877-330-4343.

Portfolio Publications

The Portfolio produces a variety of publications on its programs and services. Copies of these publications are available on our Web sites.

For more information or if you have any questions, please contact:

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Electronic Mail: plan@vac-acc.gc.ca